

Down Payment Assistance Program

Improving Sustainability in our Housing Stock

The **Down Payment Assistance** Program is available to income qualified first-time homebuyers for the purchase of a home in one of fifty-three (53) suburban communities (see back inside panel). Three types of loans are available for first time homebuyers as part of the Down Payment Assistance Program.

Maximum assistance available can not exceed \$10,000. Assistance is provided in the form of a deferred or forgiven loan and need not be repaid until re-sale or transfer of the property.

Buyer Participation

- Buyers are required to participate in free confidential in-person pre-purchase counseling from an FHA-approved counseling agency and,
- Attend free home maintenance training approved by the County.
- Contribute 3% of purchase price into the deal."



Eligible Homes

- Single family, owner-occupied only.
- Existing houses or new construction.
- Property must be occupied by the seller, or vacant for at least 90 days before closing.
- Property must be inspected by the city / village for code violations, and by County staff for defective paint.
- Code violations and defective paint must be corrected before the buyer can take title or occupy the house.

Eligible Households

- Homebuyers may not have owned a home in the past 3 years except Diversity Opportunity purchases and displaced homemakers.
- Homebuyers must occupy the dwelling as their primary residence.
- Many working families qualify for the loans. Income guidelines are set by HUD and are subject to change yearly.

Eligible Costs

- Title search fee
- Pre-purchase inspection
- Recording Fees
- Buyer's legal fees
- Filing fees
- Closing costs
- Credit reports
- Appraisal

Rate, broker fee, origination fee, and points of the first mortgage must not be excessive for the type of mortgage obtained by the buyer: conventional, VA, or FHA. No balloon payment or prepayment penalty allowed.



Loans available from the Down Payment Assistance Program include:

Deferred Loan

The loans are deferred until the homeowner sells the home or the title transfers. The loans are 50% forgivable after 5 years of occupancy.

Vacant/Abandoned Loan

The Vacant/Abandoned loan program provides first-time home buyers with an opportunity to purchase a vacant or abandoned property in one of the participating communities listed.

- 100% forgiveness will be provided after 5 years of occupancy.
- The home must be recognized as vacant / abandoned by the local building department.
- Borrowed funds can be used for down payment, closing costs, and repairs.
- Occupancy will not be permitted until the local building department certifies that all risks to health and safety have been confirmed.

Diversity Opportunity Loan:

- Diversity Opportunity loans are available to individuals who purchase a home in a community we serve with a qualified census tract racially underrepresented. Percentage of racial representation is based on recent census data.
- 100% forgiveness will be provided after 5 years of occupancy.
- This program may not be available in all of the participating communities listed.